

# What is GOED?

Over two years ago the Governor's Office of Economic Development (GOED) was created. One of its missions is to attract world-class businesses to the state and help them to create high paying jobs. Because of its great natural incentives: its diverse and beautiful landscape, its well educated workforce, and its great location in the center of the West, Utah was recently ranked 4th by *Forbes* magazine as one of the top states in which to do business. In addition to these natural incentives, the Utah State Legislature has provided GOED with a suite of incentive programs to target key companies to recruit to the state, as well as retain vital businesses to help ensure a growing economy.

During the past two years GOED, with the help of local communities, businesses and private non-profit organizations, such as EDCUtah, has recruited and retained over 28 companies. These companies, with financial assistance from the local communities and the state, have chosen Utah as their place of business. GOED has largely used two incentive programs to attract and retain these companies; 1) the Industrial Assistance Fund which is a cash grant program typically giving \$1,000 to \$3,000 for each new job created and retained for

one year, and 2) the Economic Tax Increment Funding Act which is a tax rebate program based on corporate, sales, and employment taxes paid to the state. Both are paid on a post-performance basis.

Using these incentive programs, we have been able to attract large and small companies to rural and urban areas in the state creating significant new wages, large capital investment and increased revenue for the state. If we look at our incentive programs as investing in the future of our economy, over the next ten years we will invest \$67 million dollars in those 28 companies; an investment that, over the same period of time, is projected to generate \$413 million in new state revenue, \$3.7 billion in new wages, and \$2.4 billion in new capital investment.

GOED is continually trying to develop new incentive programs to attract key headquarter companies to the state. In 2006, we realized that if we could combine incentive programs, which were previously prohibited by statute, we could be more competitive with other states in attracting more world-class companies to the state. In the 2006 Legislative session GOED proposed an amendment (HB11) to the then

existing statute that would allow the combining of our incentive programs to create incentives that would better meet the needs of companies relocating to the state. With the passage of HB11 we were able to successfully recruit Amer Sport's US headquarters (Brands include Salomon, Atomic, and Suunto) to Ogden, Utah.

In the 2007 legislative session, GOED proposed the Rural Fast Track Program (RFTP). GOED has been effective in balancing its recruiting efforts between rural and urban areas. However, we felt there was a need to help existing companies, in the more rural areas of Utah, develop their businesses.

RFTP or SB10, which was recently signed into law, does just that. In rural counties with populations of less than 30,000 and average household incomes less than \$60,000, small companies with at least two employees and in business for at least two years will be eligible for this incentive to increase their workforces. ●

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*Utah was recently  
ranked fourth by Forbes  
magazine as one of the  
top states in which to do  
business.*

